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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

COUNTRY Burma

SUBJECT **Activities of Chinese Individuals**
and Groups in Burma

PLACE 25X1A

ACQUIRED [REDACTED]
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**SUPPLEMENT
REPORT NO.**

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This report is a continuation of the series which began with [REDACTED]
This is the Chinese section. For the activities of the non-Chinese
during this period, see [REDACTED]

2 January 1951

1. Chinese civilians and KMT personnel disguised as seasonal laborers are reported to have infiltrated into Burma through Wangting, as they are being continuously harrassed by Communist authorities. They are believed to be scattered along the frontier near Muse, Namkham, and Lashio.

6 January 1951

2. Local Chinese remarked that their Consul General visited Moulmein more to do Communist propaganda than to help the Chinese in their distress caused by the recent fire. The visit was on the whole unpopular with the local Chinese, whose expressed opinion is that the Government of Burma had erred in inviting the Chinese Communist Embassy to Burma.
3. Chinese authorities in Yunnan are confiscating private property for nationalization. When a rich Chinese dies, his wealth is immediately recorded and unless a complete list of his possessions is furnished, his corpse is not permitted to be removed for burial. Any head of a family who can send one or two of his sons to join the Chinese Communist Army, gets preferential treatment by the authorities.
4. It is reported that some 900 KMT guerrillas were encamped in 3 groups in the Mong Hsat area (99-15; 20-32) and that two Karens, one of whom is named SAW WIN, were noticed in their company. Another group of 100 KMT guerrillas fully armed with six horses forming the vanguard of a strong KMT guerrilla unit were sighted at Mong Hang (98-56; 20-03).

This document is hereby regraded to
CONFIDENTIAL in accordance with the
letter of 15 October 1978 from the
Director of Central Intelligence to the
Archivist of the United States.

Next Review Date: 2018

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Week ending 6 January 1951

5. KMT(B) activities flared up with the celebration of the 40th anniversary of the Chinese Nationalists Government on 1 January 1951 when a mass meeting of KMT supporters was held and decided to pledge full support to CHIANG Kai-shek and his Government against MAO Tse-tung; to urge all Overseas Chinese to stage anti-Communist and anti-Soviet campaigns and to refrain from using Communist text books and journals. An organization known as the Burma Overseas Chinese Societies Union is also being sponsored by leading KMT sympathizers to cooperate with the Union Government in their anti-Communist drive.
6. The CDL(B) is still carrying on the anti-American movement, though only sporadic response is forthcoming since Chinese businessmen continue to stock and deal in American manufactured goods.
7. About 1,000 KMT guerrillas including 30 Shans are encamped in the Mong Hsat area (99-15; 20-32). They are in touch with the KMT HQ at Mae Sai by radio and receive rations from Chiengmai in Thailand and Mong Han in Burma. They plan to attack Kengtung State in mid-February.
8. It is reported that about 2,000 Chinese Communist troops were dispatched to Kengma from Kunming to reinforce the troops there who are fighting against KMT guerrillas and that 1,000 KMT guerrillas attacked some Communist troops in the Wanting and Chefang areas and inflicted heavy loss on them. Thirty Communist soldiers were beheaded and their heads taken away by KMT guerrillas who were under the command of LU Kuo-hsien.
9. It is learned that some 300 KMT guerrillas armed with various types of weapons, who were hotly pursued by Communist troops took refuge at Ho Hsawn (98-52; 23-24) near the border but left as soon as the Communist troops were out of sight. About 35 KMT guerrillas under the command of a former dacoit leader, LEE Shi-kye, armed with 4 Brens and 30 rifles arrived at Panglong. They left their families at Panglong and proceeded towards Lu Pang Mine.
10. The Sawbwa of Kengma, whose wife is the niece of the Sawbwa of Hsenwi in the Northern Shan States, is now taking refuge at Kokang. He has with him about 60 viss of gold and a radio set. His wife is reported at Hsenwi.
11. On 14 December 1950 Chinese Communist troops at the Wanting bridge fired upon a plane which was probably of the Burma Air Force.

12 January 1951

12. The Chinese in Insein District are buying up paddy from Burmese cultivators at lower rates than the government price of 285 rupees per 100 baskets because the local cultivators are in financial difficulties.

Week ending 13 January 1951

13. A new organization sponsored by LI Chi-kye, LI Chai-tai, and KHOO Boon-ting, leading KMT sympathizers, is being formed to counteract the activities of the China Democratic League (Burma) (CDL(B)) and assist the Union Government in its anti-Communist drive.

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14. The Chinese Ambassador in Rangoon is said to have arranged that passports shall be issued only to Chinese who have been recommended by their communal elders. Those whose recommendations he accepts are:

- a. For Foochow Chinese - CHEN Hsiao-chi, principal of the Chinese National School and Chip Bee Primary School, Rangoon.
- b. For Cantonese Chinese - CHU Yen-hsiung (朱彦雄) of the KMT Revolutionary Committee (Burma).
- c. For Fukienese - YAP Chin-eng (YEH Chen-yung 葉振榮) and C. Ssu Bin (aka HSU Ssu-min 徐四民) of the CDL(B).
- d. For Eng Tien Haka (sic) Chinese - CHEN Lan-sheng of the Burma-China Cultural Union.
- e. For Yunnanese - CHOU Ho-shu (周禾書) of the CDL(B).
- f. For Chekiang Chinese - LI Kuo-hua, principal of the Burma Chinese High School, Kemmendine, Rangoon.

15. The Chinese Embassy has enlisted the help of individuals connected with such firms as the Jing Hong Trading Corporation of 174 Phayre Street, Rangoon, to purchase motor vehicles, tires, petroleum products, and other accessories to be smuggled into China via Ruyhkok.

16. It is reliably learned that the Chinese Communist Government has recently opened a firm in Wanting for the purpose of purchasing all smuggled goods from Burma, such as cotton, petroleum products, motor accessories, etc.

17. Unidentified Chinese troops wearing red armbands with white crosses are reported to have infiltrated from the Northern Shan States into Burma, probably from Tangyang during the last week of December and that some 2000 men were contacted at Maing Han on 10 January 1951.

18. It is reported that Chinese Communist reinforcements were being sent to Santa and Taipingchieh (97-52; 24-40) from Tengeh'ung (98-29; 25-01) with warm clothing for operations in the Santa-Taipingchieh area. These troops are under the command of a Shan Sawbwa named PU Yin.

15 January 1951

19. A meeting of the Executive Committee of the China Democratic League (Burma) (CDL(B)) was held at 138, 16th Street, Rangoon on 14 January 1951, with YAP Chin-eng (aka YEH Chen-yung, YAP Kyin-eng), President of the CDL(B) in the chair. In the course of the meeting it was resolved to form a "Burma-Chinese Trades Mission" to proceed to China in March 1951. The mission will be headed by C. Ssu-bin (aka HSU Ssu-min), an adviser to the CDL(B) and is to be sponsored by the Chinese Embassy which may also finance it. HSIAO Kang, now second Secretary of the Chinese Embassy and a former president of the CDL(B), was present at the meeting.

20. Some leading Chinese merchants in Mandalay are reported to be smuggling Burma currency notes to China, where they are distributed to Chinese Communist agents who are sent out to Burma to do propaganda work for the Chinese Communist Party (CCP).

21. It is reported that petroleum products, motor tires, and motor accessories are being collected by Chinese, Indians and Burmans and shipped to the Chinese border for sale to China. Gold is being paid in exchange to attract the business. Large spare gas tanks and new tires fixed to trucks and detached at the border are some of the means used for smuggling the goods, it is learnt.

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17 January 1951

22. It is reported that the Immigration Department and the military authorities of Kyuhkok have withdrawn all frontier passes issued to Chinese in order to tighten up security measures along the Frontier.

19 January 1951

23. The Huey An Industrial Corporation Ltd., of 139 Latter Street, Rangoon, has sent HSU Jen-shang to Kyuhkok and Wanting to contact the Peoples Trading Corporation to negotiate the sale of motor tires to the Chinese Communists. The Peoples Trading Corporation is a Chinese semi-Government concern at Wanting. HSU Jen-shang left Rangoon for Lashio by truck on 16 January 1951.

Week ending 20 January 1951

24. The recent intensification of Communist propaganda among the Chinese youth by means of lectures and movies appears to have had little effect in Moulmein. Here the majority of the Chinese remain staunchly pro-KMT despite a visit from members of the Chinese Embassy. It is reported that the Embassy personnel returned to Rangoon without seeing a single portrait of MAO-Tse-tung hanging in any shop or private home although portraits of SUN Yat-sen and CHIANG Kai-shek were everywhere in evidence.
25. About 250 Mon, Shan, and Kachin insurgents with some Chinese arrived at Mong Kao (98-26; 22-13) during the first week of January 1951.
26. Approximately 400 armed Chinese bandits led by Lee Shi Kye (sic) arrived at Mong Keng (98-24; 22-38) and joined with Law Lwei's (sic) followers to attack Tang Yan village (98-24; 22-29).

23 January 1951

27. Prominent leaders of the KMT in Burma will hold a meeting at the Fukienese Chinese Temple, Strand Road, Rangoon on 23 January 1951. The formation of an organization from among 71 anti-Communist and pro-KMT groups to be known as the "Union of Burma Chinese Societies' Union" will be discussed. Two representatives from each of the 71 organizations will attend this meeting.
28. Information has been received that the KMT HQ, Taipei, Formosa, has issued instructions to the KMT(B) to urge all its members to register their names and to send the same to the HQ at Taipei by 1 March 1951. Mr. WONG Fei, Secretary General of the KMT(B), will shortly issue instructions to all the KMT(B) branches in Burma, implementing these orders.

24 January 1951

29. An organization known as "The Union of Burma Chinese Societies' Union" has been officially formed with the following aims and objects:
- To bring about unity among all Chinese residing in the Union of Burma.
 - To strengthen and stabilize the cordial relations existing between the Burmese citizens and the Chinese residing in the Union of Burma.

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- c. To promote the economic, educational, health, moral and other welfare of the Chinese of the Union of Burma.
- d. To cooperate with the people of Burma for the progress and prosperity of the Union of Burma.

Policy:

- a. To support only the equitable policy agreed upon and accepted by the people of the Union
- b. Not to encourage or support any aggression by any foreign nation upon the Union of Burma.
- c. To resist shoulder to shoulder with the citizens of Burma against any aggression by any foreign power on the Union of Burma.
- d. To support the cause of the permanent peace of the world.
- e. To foster and promote good and peaceful relation between the Union of Burma and China.
- f. To always work for the unity of the citizens of the Union of Burma.
- g. To cooperate with and faithfully support the Government formed with the sanction and the support of the people of the Union of Burma.
- h. To cooperate in the work to bring about the stability of the independent Union of Burma.
- i. To participate in the activities of the Union of Burma in respect of rehabilitation and reconstruction in education, economic, etc.
- j. To cooperate with and establish friendly relations with any legal or lawful organization or association.

30. It is reported that the KMT in Burma has received instructions from Taipei for technicians and others who have served in the Chinese Nationalist Army to return to Taiwan to prepare for a Nationalist invasion of the mainland.

31. The pro-CDL(B) Chinese students and sympathizers of Bassein are now very active in disseminating anti-KMT propaganda in the town. It is further reported that a Chinese Communist film was screened at Raphael Hall on 14 January 1951.

25 January 1951

32. Large numbers of Chinese are reported to have arrived in Myitkyina, Bhamo, Lashio, Mandalay, and other frontier districts of Burma without proper visas or valid travel documents.

33. Information has been received that a number of Chinese-owned trucks which went to Kyaukse with cotton were detained by the Customs officials at Kyaukse as the result of the Union Government banning the export of cotton to China.

Week ending 27 January 1951

34. It is reported that two small aircraft landed at Mangshih (98-35; 24-27) during the week and were well camouflaged at the Mangshih airfield. Some 2,000 Communist troops arrived at Mangshih from Paoshan and Lungling as reinforcements.

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35. One thousand fully equipped Communist troops were transferred from Paoshan to Tengehung to relieve 2,000 Communists already at Tengehung. Troop movements between Kuming and Paoshan were cut off as a result of guerrilla activity by some 3,000 KMT troops in the area.

29 January 1951

36. The Chinese Embassy is reported to have secretly instructed C Su-bin and YAP Kyin-eng of the CDL(B) to contact leaders of the Burma Workers and Peasants Party, namely Thakins HLA KYWE and LWIN to get their cooperation for Communist propaganda in an anti-government campaign. Both Thakins LWIN and HLA KYWE have demanded a huge sum of money, 1½ lakhs of rupees, from the Chinese Embassy for expenses.
37. The Government of Burma's decision to hold cotton destined for China at the frontier from 12 January 1951 has caused considerable stir among Chinese cotton exporters in Mandalay. These exporters are planning ways of approaching the GOB to get the cotton bales released.
38. A report says that NAW SENG and some 1,000 of his followers including Chinese had been directed to move his HQ from Tali in Yunnan to the Burma border.

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